STATE OF MAINE PUBLIC UTILITIES COMMISSION

Docket No. 2002-161

June 17, 2003

PUBLIC UTILITIES COMMISSION Interim Electric Energy Conservation Programs ORDER EXTENDING THE FUNDING FOR MAINE ENERGY EDUCATION PROGRAM

WELCH, Chairman; NUGENT and DIAMOND, Commissioners

I. SUMMARY

By this Order, we decide to continue funding the Maine Energy Education Program (MEEP) as an interim conservation program through the end of the interim program period, December 31, 2003.

II. BACKGROUND

The Conservation Act, P.L. 2001, ch. 624, directs the Commission to develop and implement electric energy conservation programs. The Act also authorizes the Commission to implement interim conservation programs until December 31, 2003, in order to avoid a significant delay in the implementation of conservation programs.

On June 13, 2002 in this docket, we established an interim conservation program plan. As part of that order, we decided to provide funding for the Maine Energy Education Program (MEEP) for academic year 2002-2003 as an interim program. We observed that many conservation stakeholders viewed school-based education as an important component of the state's conservation efforts. Many commenters described the educational benefits of the MEEP curriculum. Although the program had never been subject to cost effectiveness analysis because the benefits are difficult and expensive to estimate, and therefore we could not conclude that the program passed the All Ratepayers Test, a hurdle we otherwise applied to interim programs, we were persuaded to fund the program. The amount of money (\$50,000) was a small portion of our total fund, and it appeared that MEEP would be unable to support its program absent Commission-sponsored funding.

III. DECISION

The Commission is still in the process of implementing its "on-going" program plan. Because the Commission will circulate a draft plan for public comment before deciding on the plan, the on-going plan will not be adopted for several months. If MEEP is to function during academic year 2003-2004, then the decision to fund the program must be made before we finalize the on-going plan.

We decide to fund MEEP as an interim program for the remainder of the interim program period, December 31, 2003, or the first half of the next academic year, at half of last year's funding, or \$25,000. We are persuaded that the program is beneficial to the State's school children. As before, two of the statutory considerations are satisfied:

- 1) consumer awareness of cost effective options for conserving energy is increased; 35-A M.R.S.A. § 3211-A(2)(A)(1); and
- as MEEP serves schools throughout the State, the benefits are apportioned in a way that customers throughout the State have a reasonable opportunity to participate in the program. 35-A M.R.S.A. § 3211-A(2)(B)(3).

In addition, since we implemented our interim program plan, we promulgated a new conservation rule, Chapter 380. Our new definition of cost effectiveness in section 4 of Chapter 380 includes a second cost effectiveness test, called the Non-Quantifiable Cost Effectiveness Test. See Chapter 380, § 4(B). Programs are cost effective even though they cannot be shown to satisfy the Modified Societal Test (the version of the all-ratepayers test adopted) if:

- 1) program benefits are known to exist but cannot be quantified with sufficient accuracy;
- 2) the program satisfies some other statutory criterion; and
- 3) the entire portfolio of programs produces quantifiable benefits that substantially exceed total portfolio program costs.

At \$25,000 for the remainder of the interim period, we are confident that MEEP satisfies the Non-Quantifiable Cost Effectiveness Test.

Accordingly, Staff is directed to implement MEEP as an interim conservation program until December 31, 2003, for an additional \$25,000, for the first part of the academic year that begins in August/September 2003.

Dated at Augusta, Maine, this 17th day of June, 2003.

BY ORDER OF THE COMMISSION

Dennis L. Keschl

Dennis L. Keschl Administrative Director

COMMISSIONERS VOTING FOR: Welch

Nugent Diamond

NOTICE OF RIGHTS TO REVIEW OR APPEAL

5 M.R.S.A. § 9061 requires the Public Utilities Commission to give each party to an adjudicatory proceeding written notice of the party's rights to review or appeal of its decision made at the conclusion of the adjudicatory proceeding. The methods of review or appeal of PUC decisions at the conclusion of an adjudicatory proceeding are as follows:

- 1. Reconsideration of the Commission's Order may be requested under Section 1004 of the Commission's Rules of Practice and Procedure (65-407 C.M.R.110) within 20 days of the date of the Order by filing a petition with the Commission stating the grounds upon which reconsideration is sought.
- 2. <u>Appeal of a final decision</u> of the Commission may be taken to the Law Court by filing, within **21 days** of the date of the Order, a Notice of Appeal with the Administrative Director of the Commission, pursuant to 35-A M.R.S.A. § 1320(1)-(4) and the Maine Rules of Appellate Procedure.
- 3. <u>Additional court review</u> of constitutional issues or issues involving the justness or reasonableness of rates may be had by the filing of an appeal with the Law Court, pursuant to 35-A M.R.S.A. § 1320(5).

Note: The attachment of this Notice to a document does not indicate the Commission's view that the particular document may be subject to review or appeal. Similarly, the failure of the Commission to attach a copy of this Notice to a document does not indicate the Commission's view that the document is not subject to review or appeal.